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EXAMINER
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DARROW, JUSTIN T

ART UNIT	PAPER NUMBER
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2132

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17

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/764,370

Applicant(s)

GINTER ET AL.

Examiner

Justin T. Darrow

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— The MAILING DATE of this communication appears on the cover sheet with the correspondence address —

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 91-139 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 91-139 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 14 September 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- |  |  |
|--|--|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. ____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)            |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date <u>7, 12, 15</u> . | 6) <input type="checkbox"/> Other: ____  |

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### **DETAILED ACTION**

1. Claims 1-139 have been presented for examination. Claims 1-90 have been canceled and claims 91-139 have been added in a preliminary amendment filed 01/19/2001. Claims 91-139 have been examined.

#### ***Priority***

2. Acknowledgment is made that the instant application is a continuation of Application No. 09/335,465, filed 06/17/1999, now U.S. Patent No. 6,237,786 B1, which is a continuation of Application No. 08/780,393, filed 01/08/1997, now U.S. Patent No. 5,915,019 A, which is a division of Application No. 08/388,107, filed 02/13/1995, now abandoned.

#### ***Drawings***

3. The replacement formal drawings were received on 09/14/2001. These drawings are approved by the examiner and the draftperson.

#### ***Claim Rejections - 35 USC § 112***

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 121 and 122 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

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Claim 121 recites the limitation "a third rule set" in line 5. There is insufficient antecedent basis for this limitation in the claim.

Claim 121 recites the limitation "the second rule set" in lines 8-9. There is insufficient antecedent basis for this limitation in the claim.

Both of these rejections can be overcome by deleting "third" in claim 121, line 5 and replacing with --second--.

6. Claims 123-126 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 123-126 are rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting an essential element, such omission amounting to a gap between the elements. See MPEP § 2172.01. The omitted element is: a means for storing the first secure container recited in claim 123, lines 2-3.

### ***Claim Rejections - 35 USC § 102***

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

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8. Claims 91-139 are rejected under 35 U.S.C. 102(e) as being anticipated by Stefik et al., U.S. Patent No. 5,638,443 A.

As per claim 91, Stefik et al. illustrate:

A method within a virtual distribution environment located at a first site, comprising one or more electronic appliances (see column 13, lines 36-38; figure 12, items 1200, 1205, 1206, and 1207; a repository comprised of a processing means, storage system, clock, and external interface) and a first secure container, containing first protected information and having associated a first control set (see column 6, lines 19-21; figure 1, step 102; attaching usage rights and fees to a digital work and storing the digital work in a container in a repository), comprising:

using a control from the first control set to govern an aspect of use of the first protected information while the first protected information is contained within the first secure container (see column 30, lines 24-27; requests to print or view a digital work when the requester and server are the same device (i.e. the first secure container in the repository));

creating a second secure container having associated a second control set for governing an aspect of use of protected information contained within the second secure container (see column 10, lines 61-67; column 11, lines 1-6; creating a loaner copy of a digital work with a next set of granted usage rights that may be the same as or narrower than the rights; see column 6, lines 19-21; figure 1, step 102; originally attached by the creator);

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incorporating a first portion of the first protected information in the second secure container, the first portion made up of some or all of the first protected information (see column 10, lines 61-67; column 11, lines 1-6; putting the digital work in a loaner copy);

storing identification information at least in part identifying the first portion, being governed at least in part a control from the first control set (see column 29, lines 55-61; an assign-fee transaction including a transaction identifier, the identities of the repositories in the transaction, and a list of charges from the parts of the digital work; column 18, lines 19-24; figure 14, items 1450, 1452, and 1454; where the Fees and Incentives are indicated in the specification component of the right); and

transmitting the identification information to a second site, governed at least in part by a control from the first control set (see column 30, lines 11-12; reporting the Assign-fee transaction to a credit server; see column 23, lines 31-36; figure 15, grammar element 1517; where the range of billing options is provided by the usage fees and incentives specification).

As per claim 92, Stefik et al. further explain:

the first containing further containing a third secure container having associated a third control set, containing first protected information (see column 11, lines 11-15; a digital work with different usage rights for the various components) and

incorporating the first portion in the second secure container includes copying or removing the first portion from the third secure container (see column 11, lines 16-19; copying, transferring, or loaning the digital work).

As per claim 93, Stefik et al. additionally specify:

creating a second control set by incorporating at least one control from the first control set (see column 10, lines 63-65; as the digital work is distributed, the scope of the granted usage rights will remain the same or may be narrowed).

As per claim 94, Stefik et al. also describe:

incorporating at least one control from the first control set is accomplished in a secure manner (see Table 2, Level 4, column 15; high level encryption is used on all communications).

As per claim 95, Stefik et al. next point out:

creating the second control set by incorporating at least one control from the third control set (see column 11, lines 11-19; a digital work having different usage rights for the various components, when the digital work is copied, transferred, or loaned, the "next set of rights" can be specified; see column 10, lines 63-65; where the scope of the granted usage rights will remain the same or may be narrowed).

As per claim 96, Stefik et al. moreover mention:

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incorporating at least one control from the third control set is accomplished in a secure manner (see Table 2, Level 4, column 15; high level encryption is used on all communications).

As per claim 97, Stefik et al. then suggest:

creating the second control set by incorporating at least one control not found in the first control set or the third control set (see column 11, lines 20-25; instances where the rights of a “contained part” are different from its parent (i.e. the third control set) or container (i.e. the first control set), where there are rules to establish how this right is to be exercised).

As per claim 98, Stefik et al. further mention:

incorporating at least one control not found in the first control set or the third control set is accomplished in a secure manner (see Table 2, Level 4, column 15; high level encryption is used on all communications).

As per claim 99, Stefik et al. also point out:

creating a second secure container governed at least in part by one control contained within the first control set (see column 11, lines 2-5; the loaner copy with a next set of rights to further loan out the copy of the digital work).

As per claim 100, Stefik et al. alternatively show:

creating a second secure container governed at least in part by at least one control contained within the third control set (see column 11, lines 39-45; figure 11, root d-block 1101



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and child d-blocks 1102-1105; a magazine digital work with different articles granted different rights for printing).

As per claim 101, Stefik et al. additionally embody:

creating a second secure container governed at least in part by at least one control not contained within the first control set or the third control set (see column 11, lines 50-51; a strict rule prohibiting printing the magazine digital work at all; see column 11, lines 39-45; figure 11, root d-block 1101 and child d-blocks 1102-1105; even though the first and third control sets allow for printing certain articles and another article upon payment of a fee).

As per claim 102, Stefik et al. next explain:

copying or transferring the second secure container from the first site to a third site located remotely from the first site (see column 34, lines 24-37 and 53-63; the server transmitting requested contents and data to the requester along with the Next-Set-Of-Rights in copy or transfer transaction according to a transmission protocol with a destination address for the requester).

As per claim 103, Stefik et al. then describe:

that the first site is associated with a content distributor (see column 6, lines 57-59; when in server mode, the repository receives and processes access requests to stored digital works).

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As per claim 104, Stefik et al. also note:

that the third site is associated with a user of content (see column 6, lines 59-60; when in requester mode, the repository will be initiating requests to access digital works as a user).

As per claim 105, Stefik et al. moreover suggest:

the user directly or indirectly initiating communication with the first site (see column 6, lines 57-60; in requester mode, the user repository initiates directly requests to access digital works from the content distributor repository in server mode; see column 7, lines 1-5; figure 2, repositories 201 and 202; the user repository initiates indirectly a request to access digital works through an authorization repository to obtain a digital certificate required to gain access to the digital work).

As per claim 106, Stefik et al. moreover elaborate:

that the second control set includes one or more controls at least in part governing the use by the user of at least a portion of the first portion of the first protected information (see column 11, lines 45-47; figure 11, child d-blocks 1102 and 1105; articles of a magazine that have been granted PRINT rights).

As per claim 107, Stefik et al. then point out:

that the second control set includes one or more controls at least in part governing the price to be paid by the user for use of at least a portion of the first portion of the first protected

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information (see column 17, lines 66-67; column 18, line 1; an attached PRINT right to make 5 copies for \$10.00 and a PRINT right to make unlimited copies for \$100.00).

As per claim 108, Stefik et al. also describe:

that the second control set includes one or more controls at least in part governing or specifying an auditing method to be used in connection with use by the user of at least a portion of the first portion of the first protected information (see column 29, lines 55-67; an Assign-fee transaction to assign a charge for the use of a digital work or a Begin-charges transaction to assign a charge for metered use of a digital work).

As per claim 109, Stefik et al. next mention:

that at least some auditing performed in accordance with the auditing method is performed at the third site (see column 30, lines 11-12; all billing transactions are reported to the credit servers by the client).

As per claim 110, Stefik et al. then point out:

that the second control set includes one or more controls at least in part specifying one or more allowed clearinghouses to receive payment information from the user for use of at least a portion of the first portion of the first protected information (see column 30, lines 5-12; billing transactions are reported to the credit server by the client and are in turn reported in a report-charges transaction between the personal credit server and a billing clearinghouse at least once

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per billing period; see column 29, lines 40-43; where the billing transaction is carried out when a usage fee is required for granting a request).

As per claim 111, Stefik et al. moreover explain:

that the second control set includes one or more controls at least in part specifying information to be provided by the user in return for use of at least a portion of the first portion of the first protected information (see column 7, lines 1-9; a digital work being accessed that requires an authorization in the form of a digital certificate that must be possessed and presented by the repository requesting access to the digital work).

As per claim 112, Stefik et al. also depict:

encrypting at least a portion of the information to be provided by the user (see Table 2, Levels 2 and 4, column 15; high level encryption is used on all communications where a digital certificate is provided as identification).

As per claim 113, Stefik et al. then embody:

establishing a level of compensation required (see column 29, lines 39-41; a usage fee is required for granting a request) for at least one of

(a) the copying step (see column 34, lines 18-20; a request to make one or more independent copies of the digital work) or transferring step (see column 34, lines 49-51; a request to move copies of the digital work to another repository), or

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(b) at least one aspect of use at a third site of at least a portion of the first portion of the first protected information (see column 30, lines 16-18; a usage request; see column 30, lines 24-27; a request to print or view a digital work), and

calling a budget method to establish whether one or more budgets associated with the user are sufficient to satisfy the required compensation (see column 30, lines 5-10; a transaction invoked at least once per billing period to update balance information and credit limits as needed; see column 44, lines 59-61; so that consumers cannot avoid paying fees to the Distributor if they make subsequent copies).

As per claim 114, Stefik et al. further point out:

blocking the copying or transferring step (see column 46, lines 59-61; consumers cannot avoid paying fees to the Distributor if they make subsequent copies) and the at least one aspect of use (see column 47, lines 19-25; consumer buys the digital work together with a ticket required for printing rights for printing out all or part of a newspaper) if the budget method establishes that the one or more budgets associated with the user are not sufficient to satisfy the required compensation (see column 30, lines 5-10; a transaction invoked at least once per billing period to update balance information and credit limits as needed).

As per claim 115, Stefik et al. also describe:

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that the budget method is governed at least in part by one or more controls contained in the first control set (see column 11, lines 2-5; the loaner copy with a next set of rights to further loan out the copy of the digital work; see column 29, lines 39-41; with a usage fee required for granting the right; see column 30, lines 5-10; where information about charges is used to update balance information and credit limits as needed).

As per claim 116, Stefik et al. alternatively show:

that the budget method is governed at least in part by one or more controls contained in the third control set (see column 11, lines 39-45; figure 11, root d-block 1101 and child d-blocks 1102-1105; a magazine digital work with different articles granted different rights for printing; see column 29, lines 39-41; with a usage fee required for granting the right; see column 30, lines 5-10; where information about charges is used to update balance information and credit limits as needed).

As per claim 117, Stefik et al. additionally embody:

that the budget method is also governed at least in part by one or more controls contained in the first control set (see column 11, lines 2-5; the loaner copy with a next set of rights to further loan out the copy of the digital work; see column 29, lines 39-41; with a usage fee required for granting the right; see column 30, lines 5-10; where information about charges is used to update balance information and credit limits as needed).

As per claim 118, Stefik et al. also show:

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a template which specifies one or more of the controls contained in the second control set (see column 18, lines 9-26; figure 14; the basic contents of a right with primarily a transactional component corresponding to a particular way in which a digital work may be used or distributed and a specification component used to specify conditions which must be satisfied prior to the right being exercised).

As per claim 119, Stefik et al. additionally delineate:

a template which specifies one or more attributes of the second secure container (see column 9, lines 62-65; figure 10, items 1050 and 1052; a right code field containing a unique code assigned to the right, and a status information field containing information relating to the state of a right and the digital work).

As per claim 120, Stefik et al. then illustrate:

a template which specifies one or more of the controls contained in the second control set (see column 18, lines 9-26; figure 14; the basic contents of a right with primarily a transactional component corresponding to a particular way in which a digital work may be used or distributed and a specification component used to specify conditions which must be satisfied prior to the right being exercised).

Subsequent containers with rights for user (see column 14, lines 32-35; figure 13, item 1303; a usage transaction handler composing a container upon access requests to digital works in a usage transaction)

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As per claim 121, Stefik et al. show an electronic appliance located at a first site comprising:

a memory storing a first secure container having associated a first rule set and containing first protected information (see column 13, lines 53-57; figure 12, item 1204; content storage containing the digital work; see column 6, lines 19-21; figure 1, step 102; a container in a repository with the digital work and usage rights attached); and

a secure processing unit (see column 13, lines 40-42; figure 12, items 1200 and 1201; a processing means for repository transaction and usage rights transaction functions for the repository; see column 15, Table 2, Level 3; with secure physical integrity and encryption) comprising

means for creating a second secure container having associated a second rule set (see column 10, lines 61-67; column 11, lines 1-6; creating a loaner copy of a digital work with a next set of granted usage rights), further comprising

means for copying or removing a first rule from the first rule set (see column 10, lines 63-65; as the digital work is distributed, the scope of the granted usage rights will remain the same or may be narrowed), and

means for incorporating the first rule in the second rule set (see column 10, lines 54-55; usage rights can be attached to folders so that the folder itself is treated as a digital work);



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means by which a rule from the first rule set governs, at least in part, the means for creating a second secure container (see column 11, lines 2-5; the loaner copy with a next set of rights to further loan out the copy of the digital work; see column 6, lines 37-44; figure 1, step 105; where the usage rights are used to determine which rights are authorized for a particular request).

means for copying or removing at least a first portion of the first protected information from the first secure container (see column 10, lines 61-67; column 11, lines 1-6; putting the digital work in a loaner copy);

means for copying or transferring the first portion of the first protected information from the first secure container to the second secure container (see column 10, lines 61-67; column 11, lines 1-6; putting the digital work in a loaner copy),

operating at least in part under the control of the first rule set (see column 11, lines 61-64; the usage rights grammar permits the owner of the digital work to specify if constraints may be imposed on the work by a container part);

memory means for storing identification information at least in part identifying the first portion of the first protected information (see column 13, lines 53-57; figure 12, items 1207 and 1203; descriptor storage for storing the description tree for the digital work); and

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telecommunications means for communicating the identification information to a second site located remotely from the first site (see column 14, lines 3-8; figure 12, item 1206; external interface means providing for an exchange of signals including network connectivity; see column 30, lines 11-12; reporting the Assign-fee transaction to a credit server).

As per claim 122, Stefik et al. further elaborate:

that a rule from the first or second rule set at least in part governs use of the telecommunications means communicating identification information to the second site (see column 23, lines 31-36; figure 15, grammar element 1517; where the range of billing options is provided by the usage fees and incentives specification; see column 30, lines 11-12; where the billing transaction including the identification information is conducted by both the server (i.e. the first rule set) and the client (i.e. the second rule set)).

As per claim 123, Stefik et al. depict a data processing arrangement comprising:

a first secure container containing first protected information and having associated a first rule set governing the use of the first protected information (see column 6, lines 19-21; figure 1, step 102; attaching usage rights and fees to a digital work and storing the digital work in a container in a repository);

means for creating and storing a second secure container having associated a second rule set (see column 10, lines 61-67; column 11, lines 1-6; creating and storing before transferring a loaner copy of a digital work with a next set of granted usage rights that may be the same as or

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narrower than the rights; see column 6, lines 19-21; figure 1, step 102; originally attached by the creator);

means for copying or transferring at least a portion of the first protected information (see column 10, lines 61-67; column 11, lines 1-6; putting the digital work in a loaner copy) and a third rule set governing the use of the portion of the first protected information to the second container (see column 11, lines 11-19; a digital work having different usage rights for the various components, when the digital work is copied, transferred, or loaned, the “next set of rights” can be specified), including

means for storing identification information relating to the copied or transferred first protected information portion (see column 29, lines 55-61; an assign-fee transaction including a transaction identifier, the identities of the repositories in the transaction, and a list of charges from the parts of the digital work; column 18, lines 19-24; figure 14, items 1450, 1452, and 1454; where the Fees and Incentives are indicated in the specification component of the right), and

means for communicating the stored identification information to a remote site (see column 30, lines 11-12; reporting the Assign-fee transaction to a credit server).

As per claim 124, Stefik et al. further point out:

means for applying a rule from the first rule set to at least in part govern the means for storing identification information and the means for communicating (see column 23, lines 31-36; figure 15, grammar element 1517; where the range of billing options is provided by the usage

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fees and incentives specification; see column 30, lines 11-12; where the billing transaction including the identification information is conducted by the server).

As per claim 125, Stefik et al. then mention:

means for applying a rule from the second rule set to at least in part govern the means for storing identification information and the means for communicating (see column 23, lines 31-36; figure 15, grammar element 1517; where the range of billing options is provided by the usage fees and incentives specification; see column 30, lines 11-12; where the billing transaction including the identification information is conducted by the client).

As per claim 126, Stefik et al. also explains:

that the second rule set includes a rule from the first rule set (see column 10, lines 63-65; as the digital work is distributed, the scope of the granted usage rights will remain the same or may be narrowed).

As per claim 127, Stefik et al. illustrate a method comprising:

creating a first secure container containing first protected information and having associated a first rule set governing the use of the first protected information (see column 6, lines 19-21; figure 1, step 102; attaching usage rights and fees to a digital work);

storing the first secure container in a first memory (see column 6, lines 19-21; figure 1, step 102; storing the digital work with attached usage rights and fees in a container in a

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repository; see column 13, lines 60-63; figure 12, item 1204; where the container is in content storage on high capacity storage);

creating a second secure container comprising a second rule set (see column 10, lines 61-67; column 11, lines 1-6; creating and storing before transferring a loaner copy of a digital work with a next set of granted usage rights that may be the same as or narrower than the rights; see column 6, lines 19-21; figure 1, step 102; originally attached by the creator);

copying or transferring at least a first portion of the first protected information to the second secure container, the copying or transferring step being at least in part governed by a first rule from the first rule set (see column 11, lines 11-19; a digital work having different usage rights for the various components, when the digital work is copied, transferred, or loaned, the "next set of rights" can be specified; see column 6, lines 37-44; figure 1, step 105; where the usage rights are used to determine which rights are authorized for a particular request and whether the requester is authorized to receive the digital work);

storing the second secure container in a second memory (see column 7, lines 50-52; figure 4a, items 404 and 402; storing a copy of the digital work either ephemerally or permanently in a memory in the printer repository as needed for printing);

in compliance with the first rule, storing information at least in part identifying the first portion (see column 29, lines 55-61; an assign-fee transaction including a transaction identifier,

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the identities of the repositories in the transaction, and a list of charges from the parts of the digital work; column 18, lines 19-24; figure 14, items 1450, 1452, and 1454; where the Fees and Incentives are indicated in the specification component of the right; see column 23, lines 31-36; figure 15, grammar element 1517; where the range of billing options is provided by the usage fees and incentives specification; see column 30, lines 11-12; where the billing transaction including the identification information is conducted by the server).

in compliance with the first rule, communicating at least a portion of the identification information to a remote site (see column 30, lines 11-12; reporting the Assign-fee transaction to a credit server where the billing transaction including the identification information is conducted by the server).

As per claim 128, Stefik et al. subsequently state:

that creating and copying the first portion of the first protected information are securely performed by one or more protected processing environments (see Table 2, Levels 3 and 4, column 15; the physical integrity of the repository including the processing is secure and high level encryption is used on all communications).

As per claim 129, Stefik et al. then point out:

that the first portion of the first protected information consists of entirely of the first protected information (see column 10, lines 65-67; a digital work in its entirety is transferred from a document server to a repository).

As per claim 130, Stefik et al. also suggest:

that the first portion of the first protected information consists of less than the entirety of the first protected information (see column 11, lines 39-41; figure 11, child d-blocks 1102-1105; child d-blocks representative of articles of an entire magazine that can be separately requested).

As per claim 131, Stefik et al. additionally embody:

that the first memory is located at a first site (see column 6, lines 54-59; figure 2, item 201; a repository in server mode processing access to digital works stored in a memory).

that the second memory is located at a second site remote from the first site (see column 6, lines 62-67; figure 2, items 201, 205, and 203; a repository in server mode communicating with a remote rendering repository; see column 7, lines 50-52; figure 4a, items 404 and 402; storing a copy of the digital work either ephemerally or permanently in a memory in the printer repository as needed for printing), and

copying or transferring the first protected information from the first site to the second site (see column 11, lines 16-19; the digital work that is copied, transferred, or loaned is transported; see column 7, lines 10-11; from the server repository to the remote rendering repository).

As per claim 132, Stefik et al. then describe:

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that the first memory and the second memory are located at the same site (see column 10, lines 61-67; column 11, lines 1-6; creating and storing before transferring a loaner copy of a digital work (i.e. the second container in a second memory) with a next set of granted usage rights that may be the same as or narrower than the rights; see column 6, lines 19-21; figure 1, step 102; originally attached by the creator to the digital work (i.e. the first container in a first memory)).

As per claim 133, Stefik et al. next mention:

that the first memory comprises first addressable memory locations, and the second memory comprises second addressable memory locations in the same address space as the first addressable memory locations (see column 13, lines 53-60; figure 12, items 1207, 1203, and 1204; digital works stored on content storage addressable through a description tree on descriptor storage).

As per claim 134, Stefik et al. further points out:

that the first addressable memory locations and the second addressable memory locations are located within the same physical memory device (see column 13, lines 53-63; figure 12, items 1207, 1203, and 1204; digital works stored on content storage addressable memory locations in a high capacity storage such as an optical disk).

As per claim 135, Stefik et al. then discuss:



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storing a third container in the second secure container (see column 11, lines 47-49; figure 11, child d-block 1104; a child d-block in the root d-block that contains an article with PRINT rights conditioned on payment of a usage fee).

As per claim 136, Stefik et al. moreover describe:

creating a third rule set (see column 11, lines 47-49; figure 11, child d-block 1104; PRINT rights conditioned on payment of a usage fee).

As per claim 137, Stefik et al. then specify:

using the third rule set to govern at least one aspect of use of the copied first portion of the first protected information (see column 11, lines 47-49; figure 11, child d-block 1104; a child d-block in the root d-block that contains an article with PRINT rights conditioned on payment of a usage fee where the article in the first portion of the first protected information cannot be printed unless of the child d-block is satisfied).

As per claim 138, Stefik et al. illustrate:

a method within a virtual distribution environment located at a first site, comprising one or more electronic appliances (see column 13, lines 36-38; figure 12, items 1200, 1205, 1206, and 1207; a repository comprised of a processing means, storage system, clock, and external interface) and a first secure container, containing first protected information and having

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associated a first control set (see column 6, lines 19-21; figure 1, step 102; attaching usage rights and fees to a digital work and storing the digital work in a container in a repository), comprising:

using a control from the first control set to govern an aspect of use of the first protected information while the first protected information is contained within the first secure container (see column 30, lines 24-27; requests to print or view a digital work when the requester and server are the same device (i.e. the first secure container in the repository));

creating a second secure container having associated a second control set for governing an aspect of use of protected information contained within the second secure container (see column 10, lines 61-67; column 11, lines 1-6; creating a loaner copy of a digital work with a next set of granted usage rights that may be the same as or narrower than the rights; see column 6, lines 19-21; figure 1, step 102; originally attached by the creator);

incorporating a first portion of the first protected information in the second secure container, the first portion made up of some or all of the first protected information (see column 10, lines 61-67; column 11, lines 1-6; putting the digital work in a loaner copy);

using a control to govern an aspect of use (see column 36, lines 28-30; checking the validity of the player identification and the compatibility of the player identification with the player specification in the right) of the first portion of the first protected information while the first portion is contained within the second secure container (see column 36, lines 34-36; the

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server and requester read and write blocks of data as requested by the player; see column 11, lines 2-5; where the server repository loans out a copy of the digital work with the next set of rights); and

in compliance with a control (see column 18, lines 19-24; figure 14, items 1450, 1452, and 1454; Fees and Incentives are indicated in the specification component of the right), reporting information relating to the identification of the first portion of the first protected information (see column 29, lines 55-61; an assign-fee transaction including a transaction identifier, the identities of the repositories in the transaction, and a list of charges from the parts of the digital work) to a remote site (see column 30, lines 11-12; reporting the Assign-fee transaction to a credit server; see column 23, lines 31-36; figure 15, grammar element 1517; where the range of billing options is provided by the usage fees and incentives specification).

As per claim 139, Stefik et al. show an electronic appliance located at a first site comprising:

a memory storing a first secure container having associated a first rule set and containing first protected information (see column 13, lines 53-57; figure 12, item 1204; content storage containing the digital work; see column 6, lines 19-21; figure 1, step 102; a container in a repository with the digital work and usage rights attached); and

a secure processing unit (see column 13, lines 40-42; figure 12, items 1200 and 1201; a processing means for repository transaction and usage rights transaction functions for the

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repository; see column 15, Table 2, Level 3; with secure physical integrity and encryption)

comprising

means for creating a second secure container having associated a second rule set (see column 10, lines 61-67; column 11, lines 1-6; creating a loaner copy of a digital work with a next set of granted usage rights), further comprising

means for copying or removing a first rule from the first rule set (see column 10, lines 63-65; as the digital work is distributed, the scope of the granted usage rights will remain the same or may be narrowed), and

means for incorporating the first rule in the second rule set (see column 10, lines 54-55; usage rights can be attached to folders so that the folder itself is treated as a digital work);

means by which a rule from the first rule set governs, at least in part, the means for creating a second secure container (see column 11, lines 2-5; the loaner copy with a next set of rights to further loan out the copy of the digital work; see column 6, lines 37-44; figure 1, step 105; where the usage rights are used to determine which rights are authorized for a particular request).

means for extracting at least a first portion of the first protected information from the first secure container (see column 10, lines 61-67; column 11, lines 1-6; putting the digital work in a loaner copy);

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means for copying or transferring the first portion of the first protected information from the first secure container to the second secure container (see column 10, lines 61-67; column 11, lines 1-6; putting the digital work in a loaner copy),

operating at least in part under the control of the first rule set (see column 11, lines 61-64; the usage rights grammar permits the owner of the digital work to specify if constraints may be imposed on the work by a container part) or the second rule set (see column 36, lines 34-36; the server and requester read and write the blocks of data of the digital work as requested by the player (i.e. as specified by the second rule set)); and

means for storing identification information at least in part identifying the first portion (see column 13, lines 53-57; figure 12, items 1207 and 1203; descriptor storage for storing the description tree for the digital work) and for communicating at least a portion of the identification information to a remote site (see column 14, lines 3-8; figure 12, item 1206; external interface means providing for an exchange of signals including network connectivity; see column 30, lines 11-12; reporting the Assign-fee transaction to a credit server).

### ***Claim Rejections - 35 USC § 103***

9. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

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10. Claims 114 is rejected under 35 U.S.C. 103(a) as being unpatentable over Stefik et al., U.S. Patent No. 5,638,443 A, as applied to claim 113 above, and further in view of Infologic Software, Inc. (Griswold), International Application Publication No. WO 93/01550 A1.

As per claim 114, Stefik et al. teach the method of claim 113. They further disclose:

blocking the copying or transferring step (see column 46, lines 59-61; consumers cannot avoid paying fees to the Distributor if they make subsequent copies) and the at least one aspect of use (see column 47, lines 19-25; consumer buys the digital work together with a ticket required for printing rights for printing out all or part of a newspaper) if the budget method establishes that the one or more budgets associated with the user are not sufficient to satisfy the required compensation (see column 30, lines 5-10; a transaction invoked at least once per billing period to update balance information and credit limits as needed).

However, they do not explicitly teach blocking the at least one aspect of use if the budget method establishes that the that one or more budgets associated with the user are not sufficient to satisfy the required compensation when the at least one aspect of use has already commenced.

Griswold elaborates:

blocking the at least one aspect of use (see page 23, lines 14-16; use of this product is discontinued until this product is resolved) if the budget method establishes that the one or more

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budgets associated with the user are not sufficient to satisfy the required compensation (see page 23, lines 9-11; payment on this licensed product is overdue and past your grace period).

Therefore, it would have been obvious to one of ordinary skill in the computer art at the time the invention was made to combine the method of Stefik et al. with the blocking of the at least one aspect of ongoing use of Griswold to terminate access to a licensed product when payment for a license is overdue (see page 6, lines 17-20).

### *Telephone Inquiry Contacts*

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Justin T. Darrow whose telephone number is (703) 305-3872 and whose electronic mail address is [justin.darrow@uspto.gov](mailto:justin.darrow@uspto.gov). The examiner can normally be reached Monday-Friday from 8:30 AM to 5:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Gilberto Barrón, Jr., can be reached at (703) 305-1830.

The fax number for Formal or Official faxes to Technology Center 2100 is (703) 872-9306. In order for a formal paper transmitted by fax to be entered into the application file, the paper and/or fax cover sheet must be signed by a representative for the applicant. Faxed formal papers for application file entry, such as amendments adding claims, extensions of time, and statutory disclaimers for which fees must be charged before entry, must be transmitted with an authorization to charge a deposit account to cover such fees. It is also recommended that the cover sheet for the fax of a formal paper have printed "**OFFICIAL FAX**". Formal papers


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transmitted by fax usually require three business days for entry into the application file and consideration by the examiner. Formal or Official faxes including amendments after final rejection (37 CFR 1.116) should be submitted to (703) 872-9306 for expedited entry into the application file. It is further recommended that the cover sheet for the fax containing an amendment after final rejection have printed not only **"OFFICIAL FAX"** but also **"AMENDMENT AFTER FINAL"**.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 305-3900.

March 15, 2004

  
JUSTIN T. DARROW  
PRIMARY EXAMINER  
TECHNOLOGY CENTER 2100